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CHAIN STORE AGE
MERCHANDISER

Cosmetics magic reappears—p. 17

0000040 DR
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4520 EAST-WEST HWY
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DRUG STORE NEWS®

Vol. 5 No. 13/Incorporating CHAIN STORE AGE Drug Magazine Published by Lebhar-Friedman Inc./June 13, 1983

Giant, Eckerd launch OTC info systems

D.C. food chain introduces graphic symbols in labeling

WASHINGTON—The Washington, D.C.-based Giant Food supermarket chain urged drug stores and other sellers of over-the-counter products to follow its lead in introducing a new drug-labeling program featuring graphic symbol warnings.

The program introduced late last month in Giant stores, including its 72 food-pharmacy combo outlets, is aimed at creating "a quick and effective mechanism for the consumer to determine if a Giant product is safe for a particular person," Giant nonprescription drug label review committee chairman Robert Pinco said.

The new symbols on selected Giant brand OTC products illustrate "warnings for pregnant and nursing women, and young children, as well as for people with health problems such as heart disease, diabetics, kidney disease and high blood pressure," Pinco, former head of the Food and Drug Administration's OTC Drug Review division pointed out.

One symbol depicts a pregnant woman with a red line through her body—a sign that she should seek the advice of a health professional before using this product, Giant officials noted.

Calling the program the "first of its kind," Pinco said that the "symbols can help not only busy consumers, but also non-English speaking customers and those with limited reading ability."

Although at presstime these symbols were only appearing on 12 Giant OTC drugs, "within

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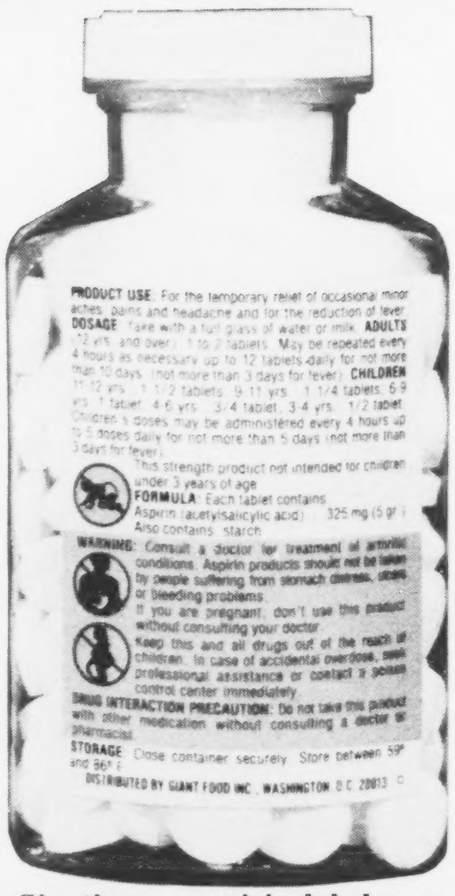
PRODUCT USE: For the temporary relief of occasional minor aches, pains and headache and for the reduction of fever.
DOSAGE: Take with a full glass of water or milk. ADULTS (12 yrs. and over): 1 to 2 tablets. May be repeated every 4 hours as necessary up to 12 tablets daily for not more than 10 days (not more than 3 days for fever). CHILDREN 11-12 yrs.: 1 1/2 tablets. 9-11 yrs.: 1 1/4 tablets. 6-9 yrs.: 1 tablet. 4-6 yrs.: 3/4 tablet. 3-4 yrs.: 1/2 tablet. Children's doses may be administered every 4 hours up to 5 doses daily for not more than 5 days (not more than 3 days for fever).
This strength product not intended for children under 3 years of age.
FORMULA: Each tablet contains:
Aspirin (acetylsalicylic acid) 325 mg (5 gr.)
Also contains: starch
WARNING: Consult a doctor for treatment of arthritic conditions. Aspirin products should not be taken by people suffering from stomach distress, ulcers or bleeding problems.
If you are pregnant, don't use this product without consulting your doctor.
Keep this and all drugs out of the reach of children. In case of accidental overdose, seek professional assistance or contact a poison control center immediately.
DRUG INTERACTION PRECAUTION: Do not take this product with other medication without consulting a doctor or pharmacist.
STORAGE: Close container securely. Store between 59° and 86° F.
DISTRIBUTED BY GIANT FOOD INC., WASHINGTON D.C. 20013

Giant's new aspirin label uses symbols to supplement important written directions.

Fla.-based drug units offer prerecorded phone advice

CLEARWATER, Fla.—Eckerd is testing a computerized phone answering system that links consumers at home to a selection of prerecorded messages about a variety of OTC drug categories.

The health information program, known as "Healthline," is designed to support pharmacists at the chain's prescription departments.

Telephonic hookups were first placed in service on May 9. Brochures announcing the new service are being distributed to consumers served by 107 Eckerd pharmacies in the Hillsborough and Pinellas, Fla., areas.

An Eckerd spokesman said the chain expects the system to be available in all markets if the test proves successful.

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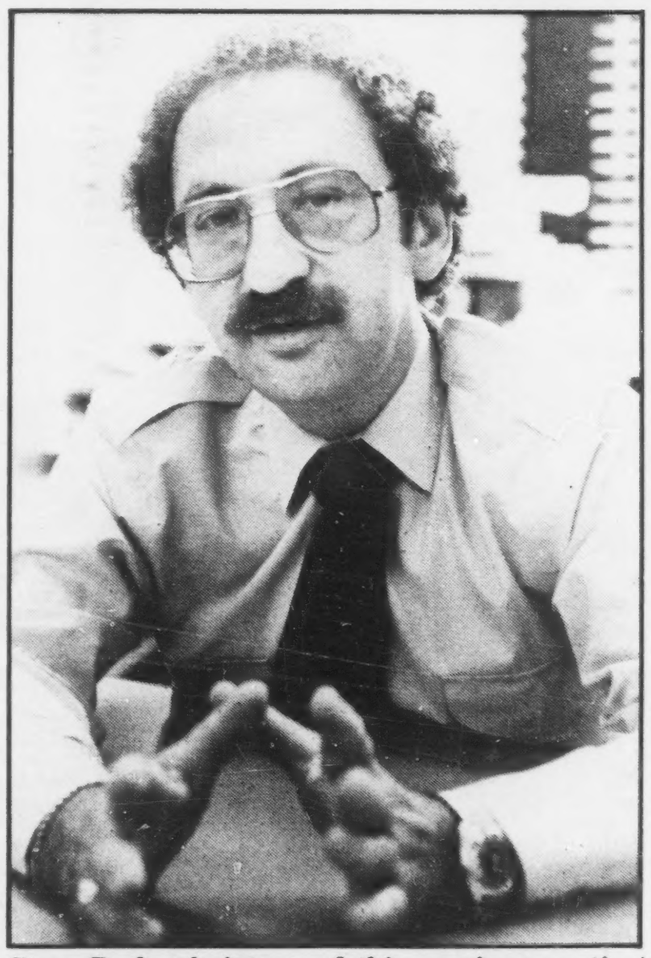
Brochures feature a new "Healthline" logo.

Peck on cosmetics: 'Upgrade!'



Steve Peck, chairman of this year's cosmetics/fragrance marketing conference, feels drug retailers need to make their stores more appealing.

By Faye Brookman

ALEXANDRIA, Va.—It is appropriate that this year's chairman of the National Association of Chain Drug Stores annual cosmetic/fragrance marketing conference is Steve Peck, vp and merchandise manager at Peoples Drug Stores. The reason: Peck's views on the future of chain drug cosmetics correlate with those of the many vendors, buyers and merchandisers who will convene in Seattle for the three-day event.

"Drug chains must make their stores exciting to shop . . . there has to be a reason to come into our stores rather than into the competition's," Peck said during a recent interview.

Industry leader profile

With the move to upgrade in mind, Peoples has been giving its stores a facelift including the latest in fixturing and merchandise. The chain is also bringing the cosmetician out of the stockroom and back on the floor to assist shoppers. This is being done in a select group of Peoples' 554 stores.

"We like to think of ourselves as the Bloomingdale's of the drug cosmetics business," Peck said. "Cosmetics is our No. 2 franchise, right behind pharmaceuticals."

Peoples' concentration on the cosmetics department is a direct reaction to chain's realiza-

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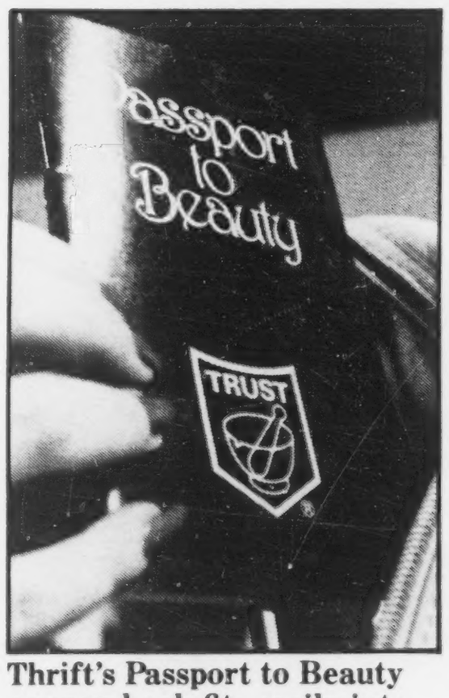
Offers coupons, prizes

Thrift 'passport' spurs cosmetics adventures

By Allen Mundth

PITTSBURGH—Joanna Rullo, a customer for many years at the Thrift Drug Store near her family's home here, is being rewarded for her loyalty in a big, big way.



Thrift's Passport to Beauty coupon book fits easily into pocket or purse.

The 20-year-old West Virginia University student and a Chester, Pa., woman are among the first winners in Thrift's unique and successful "Passport to Beauty" cosmetics promotion.

The promotion not only won Rullo a two-week expense-paid trip to Europe, which she intends to give to her parents, but has also introduced the young co-ed to a variety of cosmetic products that she readily admits she "never knew existed."

By mid-May, customers at Thrift's 356 cosmetics departments had submitted more than

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LATE NEWS

THIRD QUARTER EARNINGS FOR THE JACK ECKERD CORPORATION rose 9.4% to $16.5 million, while sales for the period, ended April 30, advanced 12.6% to $590.6 million. The drug division recorded sales of $519.7 million, a 12% increase over 1982. Earnings, however, declined slightly from $34 million to $33.4 million.

For the nine months, corporate sales rose 10.7% to $1.7 billion; earnings declined 1.2% to $57.2 million. The drug division's nine-month sales were $1.5 billion vs. $1.4 billion; operating profit increased to $109.9 million from $106 million.

Study prompts Super D to move big sellers up front

By Mike Dunn

MEMPHIS—Malone and Hyde's computer study of how drug store consumers shop has changed the merchandising strategy of the company's Super D drug stores.

Instead of using high-draw items as anchors that lure customers past possible impulse items, the high-draw items have been located where they are easily accessible.

The concepts learned in the computer study were implemented in the opening of two new prototypes last fall: a 7,200-sq.-ft. store (6,000 sq. ft. selling) in East Memphis and a 5,800-sq.-ft. store in north Memphis.

The computer study revealed that customers went into the stores for specific items they wanted. "There was not much migration within the stores. She'll get some items near the checkout as she passes by some merchandise," one Malone and Hyde executive said.

One of the most popular Super D items is beer. Beer coolers used to be in the back to act as an anchor.

At the East Memphis store, the coolers are right up front, to the right of the centrally located entrance. A 36-ft. beer, soda and juice cooler extends along the right front wall.

At the north Memphis unit, the cooler is in the left rear wall near the corner, easily accessible from the front left entrance.

As a result of the computer study, the beer is more accessible. "We've increased the frequency rather than increasing the dollar per trip," said a chain employee.

Beer and snacks are heavily promoted by Super D. A full-page ad in the May 25 edition of the *Memphis Commercial Appeal* featured a 6-pack of Coor's

Continued on page 63

Managers can monitor progress

Longs tracks store profits, increases earnings

WALNUT CREEK, Calif.—A new system that tracks weekly gross profits store by store has helped Longs Drug Stores return to strong earnings growth after a disappointing third quarter last year.

The system, which was introduced in the fourth quarter of fiscal 1983 after it became clear that consumer cherry-picking had damaged third-quarter gross margins, also calls on managers to project sales volumes and margins quarter by quarter.

"Then on a week-by-week basis, managers monitor their progress as a means of reaching or exceeding their objective," Richard A. Scott, executive vp, told shareholders at the annual meeting here.

As a result of the new system as well as a revision of an aggressive third-quarter promotional strategy, the chain reported that first quarter net profits increased almost 17% on a year-to-year basis to $7.9 million, or 75¢ a share. Sales for the quarter ended April 28 rose 9% to $279.6 million from $255.5 million in the corresponding year-earlier period.

The third quarter's slip in operational profits, which resulted in holding down fiscal 1983's earnings gain from operations to 7%, was caused by what one executive called "the defensive posture" of consumers in a period of recession. To counter the trend and build greater market share, Longs used heavy price promotions.

But the chain "did not anticipate the extent of consumer cherry-picking," the exec said, and so while sales increased by 11%, gross margins suffered.

"We started taking action halfway through the fourth quarter," the exec said. "We became more selective in the items that we advertised to insure that we weren't cherry-picked to death as we were in the third quarter.

"At the same time, Bob Long started a gross profit tracking system that could be followed at store level to give managers a better handle on what was happening. It was not so much what we did, but what the stores did," he said.

The turnabout began to be felt in the second part of the

Continued on page 63

. . . as ideas from workers boost sales

WALNUT CREEK, Calif.—Sometimes it's not just the products and the way they're displayed and promoted that can trigger a spurt in sales. Often, it's the people who sell the products.

Longs Drug Stores proved that retail adage in spectacular fashion at the chain's Mountain View store, located on the San Francisco peninsula south of the city.

Just before the Christmas selling season, the store's five cosmeticians put their heads together to see if there was any way to improve department sales.

One thing that had been bothering them was the number of times that other tasks took them away from the selling floor. As a result of haphazard coverage, there were often periods when no cosmetician was on hand to help advise customers.

What the cosmeticians decided on their own was to arrange their schedules so that at least one of them was available in the department at all times. Other than helping customers, the only things they would do were minor adjustments of facings or other light housekeeping jobs.

What happened after the new schedule was put into place?

Richard A. Scott, executive vp of the Walnut Creek, Calif.-based chain, told shareholders at Longs' recent annual meeting that "sales immediately doubled."

Scott was so impressed that the employee-generated idea led to such significant results that he has been repeating the story at every district meeting to drive home the importance of what the chain terms its "value-added concept."

Scott believes the story illustrates two basic strengths of Longs' approach to retailing: 1) Store autonomy as well as cross-pollenization of employee ideas creates an atmosphere in which potent selling tactics easily emerge (something like

Continued on page 63

— News in brief —

Rite Aid's Grass assumes planning duties

Rite Aid Corp. has appointed Martin Grass to the new position of vp of corporate planning and development. Grass, who had been vp for real estate, will retain his real estate department responsibilities and will have an expanded role in corporate planning, financial and investor relations and corporate communications.

The chain also appointed five other corporate vps. Charles Slane, who had been assistant vp and secretary of the corporation, has been promoted to vp in the legal department. F. Edward Chappell has been promoted from assistant vp to vp for real estate. David L. Dalton was promoted from assistant vp to vp of professional relations. James Krahulec was promoted from assistant vp to vp for Government and trade relations. Ronald A. Miller was promoted to vp of distribution. In addition, Gerald P. Cardinale was promoted to assistant vp of merchandising.

Malone & Hyde opens 97th Auto Shack

MEMPHIS—Malone & Hyde, which operates 100 drug stores, has opened its 97th Auto Shack discount store. Malone & Hyde finished fiscal 1982, which ended last June, with 64 of the discount auto parts stores. The company will finish fiscal 1983 on June 25 with 115 of the units. No new drug stores have been opened in the last six months. Most of the drug stores are operated under the Super D banner. The company's main business had been food wholesaling and the operation of 49 supermarkets.

FoxMeyer goes public

DENVER—The FoxMeyer Corp. is going public with a 1.6-million-share offering that is expected to generate approximately $27.2 million, most of which will be used to pay off the wholesaler's bank debt.

In addition to the 1.6 million shares being offered by the comapny, another 400,000 shares will be offered by the investors who put up the venture capital when they acquired the firm five years ago.

SDM promotes two in Southeast

BOCA RATON, Fla.—Shoppers Drug Mart Inc. has named Allan Goldman director of marketing and Joe Cote director of operations in the chain's Southeast United States operation.

Goldman joined Shoppers Drug Mart in 1980 as director of purchasing.

Cote joined Shoppers Drug Mart in 1973 and was originally assigned to the chain's Ontario, Canada headquarters.

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Drug Store News (ISSN 0191-7587), is published biweekly—every other Monday, monthly in December plus extra Pharmacist's Reference issue in March, by Lebhar-Friedman Inc., 425 Park Ave., New York, N.Y. 10022. Subscription rate $12 per year; $21/two years. Single copy rate $2.00. Outside U.S.A.: Canada $13, $23/two years. Foreign subscriptions: Airmail only $100 per year. Second-class postage paid at New York, N.Y., and additional mailing offices.

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Vol. 5, No. 13 June 13, 1983

Jim Harrison, left, Reggie LaVerdiere, center, and Stewart Turley, right, meet U.S. House of Representatives members John R. McKernan of Indiana and Michael Biliakis of Florida.

Another look at the NACDS gala

Walda and Sydney Besthoff chose a brightly colored contemporary painting at the National Art Gallery as a backdrop for their photograph.

Gibson Greeting Card president Thomas M. Cooney and former U.S. Tresury Dept. secretary William E. Simon greet Sidney Dworkin at a political reception.

Fred Canning and wife Margaret, left, Corky Walgreen, center, and Vernon Brunner and wife Sharon, pause during a gala reception at the National Art Gallery.

PHARMACY

Discontent over detail visits grows among pharmacists

By Joseph Caputo, RPH

NEW YORK—Pharmacists in retail settings are more dissatisfied this year with the number of times detail people visited their prescription departments than they were in 1981.

This is one of the main findings of a survey involving 607 chain and independent pharmacists conducted earlier this year by *Drug Store News*.

In addition to measuring levels of satisfaction among practitioners, the survey of 383 chain and 224 independent pharmacists also monitored introductory detail visits for new products, levels of drug product selection, and ratings of selected information sources.

How well manufacturers' reps communicated drug information to the trade was also measured in the survey. A number of interesting findings emerged:

• Pharmacists' satisfaction

Overall pharmacists are not satisfied with the frequency of detail calls. Almost one-half (45%) of all pharmacists surveyed said that they were "not very/not at all satisfied" with the number of visits. This represents an eight percentage point increase over the earlier survey result.

In the current survey, levels of dissatisfaction are especially evident among chain pharmacists. A significantly greater proportion of pharmacists working in chains (23%) indicated they were "not at all satisfied" with the number of visits made by detail reps than were pharmacists working at independents (9%).

Over half of all chain pharmacists (52%) interviewed in the current survey said they were "not very/not at all satisfied" with the number of detail visits. This percentage represents an eight-point increase over the earlier finding.

But there was also a significant increase in the number of pharmacists in independent drug stores who were dissatisfied. Indeed, 35% of all independents interviewed stated they were "not very/not at all satisfied," up from 26% in the earlier survey.

• Why pharmacists are dissatisfied

"Never showing up" represented the main reason cited by respondents who rated the number of detail visits "not too/not at all satisfying." For example, 44% of the 246 respondents in this group cited "detail people never call/don't come by" as the main reason for their displeasure. Other spontaneously mentioned reasons were: "Give limited information on new drugs (19%), "don't take back returns/ outdated stock" (18%), and "more interested in taking new orders/placing product" (9%).

On a more positive note, 108 pharmacists said they were "extremely/very satisfied" with the frequency of detail visits. And 26% of those who expressed satisfaction noted that detail reps" visit frequently/on a regular basis" as the reason for their opinions.

"Detail new products/provide valuable information/updates" was noted by another 26% of the "extremely/very satisfied" group.

A negative factor cited by 24% of the 108 pharmacists expressing satisfaction focused on the fact that detail reps "visit at inappropriate times/never make an appointment."

When detail reps do call on a pharmacy, the incidence of specific product discussion by the salesman is the same for chain and independent pharmacists. Almost half (49%) of the pharmacists surveyed noted that visiting detail reps "nearly always" share specific product information.

• Drug Product Selection

The level of pharmacist dissatisfaction takes on special significance when the amount of drug product selection is considered.

According to the survey, pharmacists are exercising their options under drug product selection approximately 38% of the time.

The proportion of heavy substituters—those dispensing other than the branded product more than 75% of the time—is increasing. Heavy substituters comprised 34% of all pharmacists who stated that they substitute (595 of the 1983 sample). This percentage compares to 18% of all pharmacists who were heavy substituters in the previous study.

Whether pharmacists worked at chain or independent outlets had very little influence on the substitution patterns of respondents. Chain pharmacists were just as likely to substitute as those who worked at independents.

More revealing, the greatest percentage of pharmacists expressing dissatisfaction with the number of detail visits were also the heaviest substituters. Of the 278 pharmacists who expressed negative opinions about the number of detail visits 59% substitute more than half the time. This compares with 35% of the 192 pharmacists who were negative last year.

• Reasons for substitution

Economic reasons are given most often by pharmacists as an explanation why multisource generic drugs are substituted for branded medications. For example, "price/cost to the patient" was spontaneously cited most often (73%) as the reason for substitution.

And more than two-thirds of

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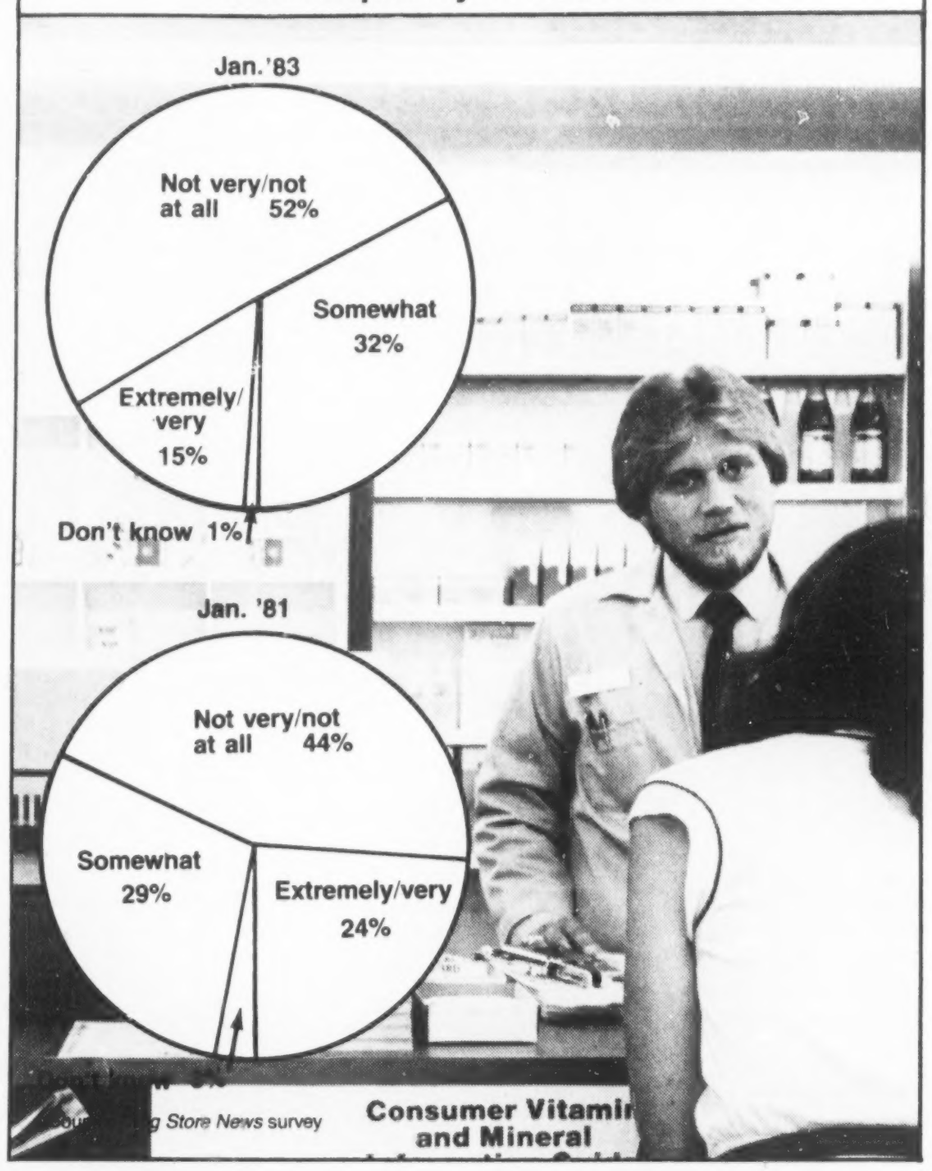
Chain pharmacists' degree of satisfaction with frequency of detail calls



Genovese readies pharmacy computer roll-out

MELVILLE, N.Y.—The first of Genovese Drug Stores' 70 pharmacy departments will receive an IBM Series I standalone computer system later this month as the Long Island-based chain launches its pharmacy automation program.

The IBM system, which Genovese selected after reviewing proposals from several other firms, will be installed on a unit-by-unit basis during the next year. Genovese execs are currently working with IBM to modify the system's "pure vanilla" software package to accommodate the chain's needs. In addition, a former in-store pharmacist, assigned to familiarize Genovese pharmacists with the new system, is now receiving special training from IBM.

"This really is a crawl-before-you-walk type of process," said Herb Kett, the chain's sr. vp for operations and administration.

"The process will begin slowly," he said, "but will accelerate once we get more pharmacists familiar with the system and can switch them around from store to store."

Kett said initial installations will be targeted for the chain's heavy concentration of stores in Long Island's densely populated Nassau, Queens and Suffolk Counties—stores which generate not only higher-than-average Rx volume, but also a greater proportion of third-party payment purchases.

Prescriptions accounted for 23% of Genovese's fiscal 1983 sales of $158.6 million, and approximately 29% of all prescriptions were issued to persons who paid via third-party provider.

The stand-alone computers servicing Genovese stores will provide all of the now-standard pharmacy functions, including patient profiles, drug interaction alerts, processing of third-payment reimbursement forms, label printing, and personal year-end tax receipts. A host computer at Genovese headquarters here will automatically retrieve vital information from each store's computer system on a daily basis—information that will be used by central management in making buyer, pricing, merchandising, promotion and other key decisions.

Anticipated benefit

Kett said Genovese selected a stand-alone system, rather than an on-line system, because of the additional functions such units can perform in individual stores. The IBM units will eventually be upgraded so that each store's manager can use the system to prepare and monitor time and attendance records, purchase orders, cash reports, inventory control and buy card functions. In addition, the stand-alone system eliminates the risk of an entire on-line system going "down" at some time.

"The stand-alone system," Kett said, "has a lot more capabilities than the on-line system. With it, there's so much more that we can do at the store level than we could had we gone with an on-line unit."

A.M.A.'s help could aid drug information distribution

Joseph Caputo, RPh
Pharmaceutical Editor

It appears that everyone except the American Medical Association is encouraging patients to ask their pharmacists questions about drugs.

Schering is running ads in *Newsweek*, *Time*, and *TV Guide* advising consumers to obtain drug-related information from their pharmacists.

And that's not all. The National Council on Patient Information and Education (NCPIE) is distributing a 30-second television announcement which encourages people to seek information on prescription drugs from pharmacists.

These are but two of many positive public service announcements that depict pharmacists as reliable sources of drug information.

Unfortunately there are also some negatives on the horizon: for example, the A.M.A. seems reluctant to place a simple tagline at the bottom of its Patient Medication Instructions (PMI) mentioning pharmacists.

Pharmacists generally agree that a reference to them on all PMI leaflets would help foster cooperation and communication between physicians, patients, and pharmacists. This approach would also broaden distribution of PMI's, offering consumers a consistent message about the drugs they take.

Only 10% to 15% of physicians in private practice now use the PMI program. The total number of PMI's distributed could be raised significantly if pharmacists also participated in the program.

After all, most patients interact more frequently with pharmacists than physicians simply because pharmacists are more accessible.

The fastest way to obtain pharmacists' cooperation and support is to mention these professionals.

Cooperation between pharmacists and physicians will reinforce patients' levels of confidence, degree of instruction, and awareness of proper dosing. Petty professional differences should not be allowed to interfere with these noble goals.

PHARMACY

Discontent over detail visits grows among Rxmen

Continued from page 7

all respondents (69%) agreed that generics were "therapeutically equivalent," while only 21% disagreed.

• Detail visits for new products

According to the survey, less than half of the respondents received visits from manufacturers' reps during the first six months after a new product launch.

During this time period, detail personnel from Stuart (for Tenormin) were most likely to visit pharmacies. Other firms frequently mentioned included Pfizer (for Procardia) and Upjohn (for Xanax).

More than one-third of the respondents noted that they were visited by the following manufacturers' detail reps during the six-month post-launch period: Ciba-Geigy for Transderm Nitro; Searle for Calan; Wyeth for Wytensin and Marion for Carafate.

Those manufacturers' detail reps less likely to visit retail pharmacies up to six months after a product's introduction included Schering for Paxipam; Knoll for Isoptin and Sandoz for Visken.

Comparisons between independent and chain pharmacists reveals a wide disparity in the number of trade calls. A significantly higher proportion of independent pharmacists received visits from each of these manufacturers' detail people than their chain counterparts. There was one exception: Virtually the same proportion of chain and independent pharmacists received introductory detail visits from Knoll.

• Satisfaction with detail visits

When the entire sample was asked whether they were satisfied with the introductory visits on selected new products, Stuart and Pfizer achieved the highest level of satisfied pharmacists—42% for each company.

One-third or more of the pharmacists surveyed claimed satisfaction with the introductory visits for the following new products: Xanax (36%), Transderm Nitro (36%), Calan (34%), Carafate (32%), and Wytensin (32%).

A lower number of pharmacists reported satisfaction with details for Isoptin (25%), Paxipam (24%), and Visken (21%).

Pharmacists' levels of satisfaction varied significantly between practice settings. Independent pharmacists were much more likely to be satisfied with selected manufacturer introductory visits than their chain counterparts. With the exception of Isoptin, a significantly higher proportion of independent pharmacists expressed satisfaction with their details.

There is a strong association between the incidence of detail visits and pharmacists satisfaction with that visit. When visits are made for new products, most pharmacists are satisfied with the quality of the call.

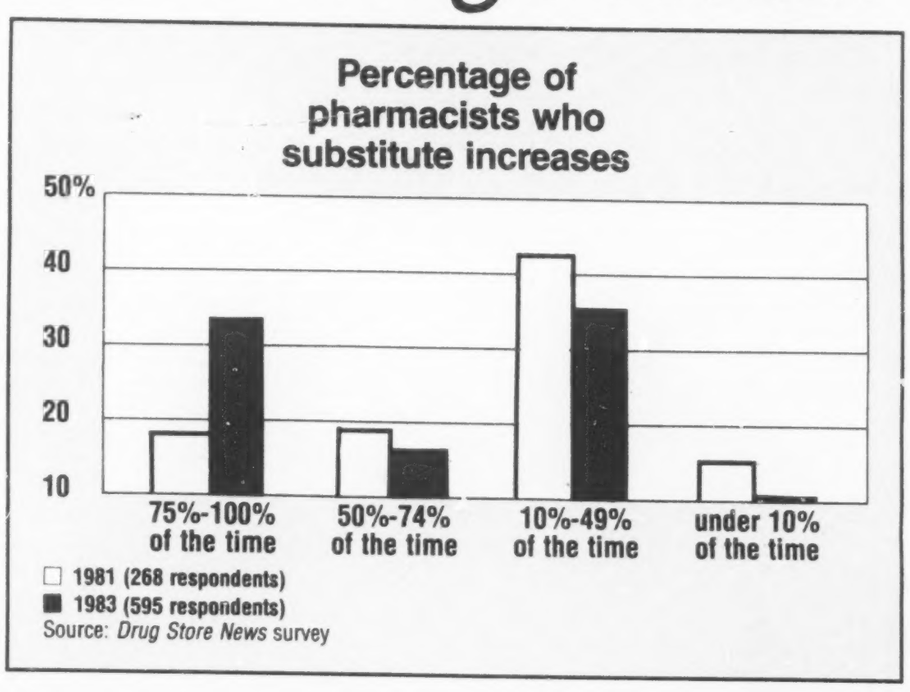
• Sources of patient information

Pharmacists—chain and independent—are generally pleased with the effectiveness of sources of information available on prescription drugs. On a five-point scale of "extremely effective" to "not at all effective" over two-thirds of all pharmacists gave the greatest proportion of high ratings to product package inserts (69%), direct mail from manufacturers (53%), and drug manufacturers' sales reps (53%).

Other sources of information mentioned as "extremely/very effective" included pharmacy trade news stories (45%), pharmacy trade advertising (34%), and the *Physicians' Desk Reference* (27%).

Over three-quarters of all pharmacists surveyed stated they are generally pleased with sources of information provided on prescription drugs. Seventy-seven per cent reported present sources are adequate. And among the 22% claiming that patient information was inadequate, 36% cited "not enough detail about side effects, drug interactions, and precautions."

Other spontaneously mentioned reasons for dissatisfaction included the "need for more information/new products requires concise sources," mentioned by 30%. Another 16% mentioned that material was "not written clearly/medical jargon was not comprehensive/information was not usuable."



Pharmacists were also asked about the type of information they wanted from drug manufacturers. Ninety-four per cent selected "possible adverse reactions" and 92% mentioned "patient instruction" as the type of information they most desire.

Pharmacists frequently noted that they would also like to know what is said when a product is detailed to a physician—specifically how the product is to be used (62%), and to whom the product is detailed by physician specialty (42%). Twenty-four per cent also wanted to know products' detailing cycles.

• Respondent profile

More than half (55%) of all those taking part in this survey graduated from pharmacy school since 1969. The vast majority of the respondents—77%—hold B.S. degrees and 81 are males.

An equal proportion of the sample assigned "extremely/very important" ratings to being a professional pharmacy executive (35%) or owning their own pharmacy (35%).

The majority (35%) of all respondents in this survey work in the central United States. The balance work in the Southeast (23%), Northeast (18%), Pacific (10%), North Central (8%), and mountain (3%) regions.

The average chain represented in the survey has 587 outlets.

Lilly study:

Independents' sales are up but profit margins down

NEW YORK—Last year may well be remembered as the period in which a sales miracle occurred for independently owned community drug stores.

But significantly greater merchandise costs and expenses helped keep a lid on owner's pretax profits, causing net profits expressed as a percent of sales to decline to 2.9%, their lowest level reported in recent history.

According to figures noted in the Lilly Digest Preliminary Report of 904 United States pharmacies, pretax profit margins for an average independent pharmacy dropped 0.3 of a point.

Average sales in the same outlet totaled $520,000, an increase of $81,000 (+18%) over 1981 sales volume. But a typical store's cost of goods sold advanced 20% to $345,000 (+$57,000) from the previous year's total of $288,000.

The increase cut into gross margin, forcing a decline to 33.6% from 34.3%. Inventory turnover, however, increased to 4.5 times per year from 4.3 times in 1981. As a result of increased velocity, retailers received $1.51 in gross margin dollars for every dollar invested in stock during 1982, compared to $1.47 in 1981.

In terms of gross margin dollars, increased turnover offset declining gross margin percentages.

At the same time, total 1982 expenses for an average store increased 17%, or $159,500 on an annualized basis.

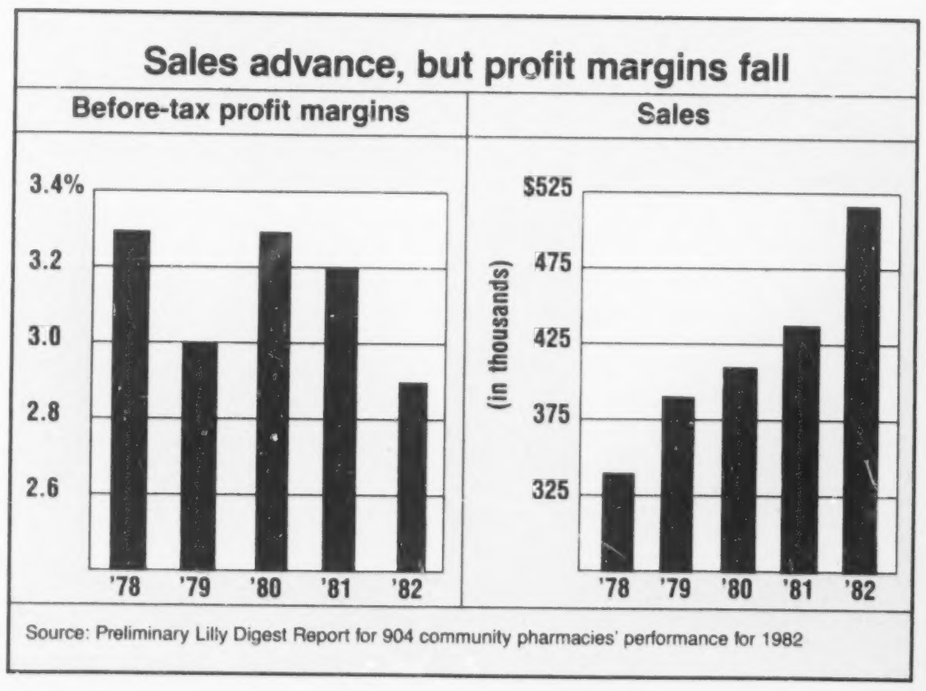
According to the Digest, prescription sales advanced 17% to $280,000, and over-the-counter volume rose more sharply. Sales of merchandise other than prescription products climbed 20% or $41,000, to $240,000.

An average prescription cost consumers $9.88, an increase of $1.08 over the level reported for 1981. And the number of scripts dispensed totaled 28,319 per outlet, for a gain of 4% over 1981. New scripts grew 5% to 13,852 on the strength of numerous new product introductions, while refill scripts advanced 3% to 14,467.

The Digest also reported that store hours remained unchanged, with a typical store open 62 hours per week during 1982 and 1981.

Size of an average pharmacy's floor area continued to grow larger and totaled 2,611 sq. ft. in 1982, up from 2,402 sq. ft. reported in 1981.

An increase in overall sales more than offset the advance in floor area, and this resulted in a 9% increase in sales per square foot to $196.82 during 1982.



Safety pioneer honored

Abe Plough, 91-year-old founder of Plough Inc., inspects one of the first safety caps his company developed for St. Joseph Aspirin for children in 1958. Plough was recently honored by the U.S. Consumer Product Safety Commission's "first award to an individual" for bringing the safety cap to market 12 years before it was required by law.

Ariz. Rx Board gets 2 members

PHOENIX—Simon J. Eisenberg was appointed to a five-year term on the Arizona State Board of Pharmacy, and Adaline C. Pangrazi was named to a four-year term as a lay member.

Eisenberg is a Walgreens pharmacy supervisor who received his pharmacy degree in 1957 from the Philadelphia College of Pharmacy and Science.

Pangrazi is active in the Senior Citizens Council of Maricopa County.

CROWD CAPS
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